

Narrowboat Tranquility Shared Ownership Agreement

This agreement (“The agreement”) is made on 11th day of October in year 2020 (“The agreement date”) between:

1. The syndicate owners specified in Schedule 1 (“The Syndicate”)
2. The Vendor:
3. The Purchaser:

The Syndicate consists of the members specified in schedule 1 who have purchased shares in the syndicate. The purpose of The Syndicate is the joint ownership and operation of the narrowboat named “Tranquility” with the Hull Identification Number GB CCL 58001 D 5 05.

The schedules to this agreement form part of the agreement and will have the same force and effect as if expressly set out in the body of this agreement. The schedules consist of 1) Owners’ details 2) Booking arrangements 3) Code of Conduct 4) Obligations of the owners acting together.

Purchase of share

The Purchaser agrees to purchase a **XXXX** share in The Syndicate from The Owner for the sum of **XXXX** and subject to the terms and conditions of this agreement. This entitles The Purchaser to **XXX%** ownership in The Syndicate and a total usage entitlement of **XX weeks** per annum. The Purchaser’s designated rotation letter for the purposes of schedule 2 shall be **X**.

Title and ownership of the share shall remain vested in The Owner until the purchase price above is paid in full **and** this agreement has been signed by The Purchaser.

Payment

The Purchaser shall pay the purchase price agreed to the NB Tranquility account, immediately upon signing this agreement at page 11, and in making such payment The Purchaser agrees that they are satisfied with and accept the condition of the Narrowboat, Tranquility. The treasurer shall pay The Owner the net sum due after deduction of any / all liabilities and responsibilities outstanding by The Owner.

Ownership

On completion of the purchase The Purchaser shall be entitled to:

1. **XXX%** of the ownership of the narrowboat Tranquility.
2. Sole use of the narrowboat Tranquility at such times and in such manner as set out in the agreement and schedules

Membership and Obligations

On completion of the purchase The Purchaser shall become a member of The Syndicate and The Owner shall cease to be a member of The Syndicate. Members shall be bound by the rights and obligations contained within the agreement and schedules.

Entire Agreement

This agreement constitute the entire contractual relationship between The Syndicate, The Owner and The Purchaser and there are no representations, promises, terms, conditions or obligations between the parties other than those contained or expressly referred to in this agreement. This provision does not restrict liability for any party for representations made fraudulently prior to completion of this agreement.

Limitation of liability

The Purchaser agrees that The Syndicate will not be liable for any breach of this agreement arising as a result of an Act of God or circumstances outside of its direct control.

Termination

This agreement shall continue in full force and effect from the date above until:

1. The narrowboat is sold in accordance with this agreement; or
2. The shareholding is sold or transferred by The Purchaser in accordance with this agreement and schedules, at which time the agreement shall terminate. The Purchaser shall remain liable for any breach of their obligations and / or responsibilities under this agreement after termination of this agreement.
3. The Syndicate members in general meeting, in accordance with the rules of this agreement, vote to alter, change or vary this agreement. This agreement will continue in force until such time as the new agreement is signed by The Purchaser.

Section 1 General

- 1.1 Each of the owners owns one or more shares in the narrowboat Tranquility, with the hull identification Number GB CCL58001 D 5 05. ("Tranquility"), the number of shares owned being set out in Schedule 1. Shares may be jointly held but not by more than two owners each.
- 1.2 The agreement supersedes any previous agreements between the owners or between the owners and Carefree Cruising (Boatshare) Limited, formerly known as Carefree Cruising Limited.
- 1.3 The owner may at any time propose up to two authorised users. Such authorised users shall be subject to the conditions of usage under this agreement and are subject to approval by the existing owners.
- 1.4 The owners will use reasonable endeavours to operate the shared ownership scheme in the mutual interests of all the owners of Tranquility. Each owner accepts the obligations set out in schedule 4.
- 1.5 The agreement has no fixed termination date but may be modified or terminated as set out below.
- 1.6 The agreement may be modified by the owners at an annual or extraordinary general meeting as set out in section 2 below. It can only be terminated if all owners sell Tranquility to one of their number or to a third party.
- 1.7 No owner may own more shares than the equivalent of eight weeks usage, except in conjunction with all other owners.
- 1.8 This agreement may only be amended by written agreement of all parties thereto (or their lawful assigns)
- 1.9 Written notices required by this agreement can be made either by letter or email.

1.10 In this agreement the masculine includes the feminine and the singular includes the plural in any reference made to the owner of a share and includes authorised users unless inconsistent with the context.

1.11 The owners will formally review this agreement at regular intervals not more than 5 years after the previous formal review. This does not preclude amendments to the agreement being made in the normal course of meetings.

Section 2 Governance and responsibilities

2.1 The owners will hold an annual general meeting (“AGM”) no later than 1st March of each useage year. The quorum of this meeting shall be 50% If owners are unable to attend, where practicable they can attend by telephone or internet or may issue proxy instructions in writing to any attending member.

2.2 At each AGM office bearers will be elected as follows:

Chairman
Treasurer

Each office bearer must own a separate share in Tranquility. These office bearers hold office from the end of the AGM to the end of the next AGM, unless amended at an earlier EGM. [Clause suspended 7th Sept 2019 to AGM 2020]

No bearer of any office shall be entitled to any remuneration for the services performed on behalf of the syndicate. They may claim out of pocket expenses necessarily incurred in the performance of their duties and may delegate their duties to other owners at the rate specified by HMRC.

2.3 The AGM agenda will include the following items

- A report from the chairman on the usage of Tranquility during the year
- A report from the secretary with recommendations for bookings and moorings for the following year
- A report from the treasurer on the accounts for the previous year and proposed budget for the following year

- A report from the chairman on the state of Tranquility with proposals for winter works and any other maintenance or replacement requirements
- Election of office bearers for the following year
- Dates of unavailability for booking due to maintenance
- Agreement on moorings for the following year
- Agreement on scope of licence to be purchased for the following year
- Agreement on insurers for the following year
- Agreement on membership of RCR or other rescue scheme
- Agenda items raised by owners prior to the AGM pertaining to Tranquility

2.4 The responsibilities of the office bearers include but are not limited to:

The chairman will convene and chair the AGM and any other meeting. He may nominate a deputy if unable to attend.

The treasurer will open and operate a bank account in the name NB Tranquility Owners Syndicate. He is responsible for collection and recording of all payments from owners, for paying all invoices properly charged to Tranquility and for arranging payment for insurance, licence and any subscriptions agreed at the AGM.

The treasurer is responsible for preparing quarterly accounts for Tranquility. Accounts will be circulated to all owners each quarter by means agreed by the owners.

The allocations secretary is responsible for the operation of the booking procedure, for keeping records of owners' names, addresses and contact details and for taking and circulating minutes of the AGM and any other meetings, making such information available for circulation by means agreed by the owners.

2.5 Each share in Tranquility is entitled to vote by percentage ownership as shown in Schedule 1. A simple majority in favour is required for decisions which are essential to the normal maintenance and running costs of Tranquility including any consequential amendments to this agreement that do not affect ownership of Tranquility.

A majority of 75% is required for any of the proposals set out below:

- The sale of Tranquility and the winding up of the syndicate

- The sale of Tranquility and acquisition of another boat
- A change in the method of propulsion
- A change to the maximum annual total number of weeks usage available
- The exclusion of an owner under section 5.4
- Any proposed change in the voting rights under this section
- Additions or deletions to this list

In the event of a tied vote the chairman has the casting vote which must be exercised in favour of the status quo unless this is not possible, in which case the chairman may use reasonable discretion.

- 2.6 An extraordinary general meeting (“EGM”) may be called by the chairman at any time at his discretion, subject to notice being given as below. Any three owners may call an EGM. There is no restriction on what may be discussed or agreed at such meeting subject to the provisions in 2.5 above.
- 2.7 Minimum notice of two weeks must be given of any meeting unless there is an emergency requiring immediate action. This notice can be given by post or internet.

Section 3 Use of Tranquility

- 3.1 Procedure for selecting usage weeks is set out in Schedule 2
- 3.2 Any two owners may mutually agree to swap weeks already booked on notifying the allocations secretary.
- 3.3 Where an owner is unable to use an allocated week and cannot arrange a mutually agreeable exchange, that owner will notify the allocations secretary as soon as possible.

The allocations secretary will invite all owners to express an interest in the available week, giving a deadline 7 days hence. Where this is not possible due to short notice [fewer than 7 days], no less than 24 hours will be notified for responses.

When the notified time has elapsed, all owners expressing an interest will be considered in priority order:

1. Any owner who, through breakdown or maintenance overrun has lost a whole week of allocation within the last 12 month period from the first date the available week.**

2. Any owner who, through breakdown or maintenance overrun has lost a part week of allocation within the last 12 month period from the first date the available week.**

3. Any other owner

Where more than one owner with the highest of these priorities applicable, expresses an interest, the allocation secretary will draw the name randomly.

Where the allocation secretary is an interested party in the decision, they will contact an independent owner to draw the name.

**It should be noted that at 1. And 2. Above, loss is defined as unavoidable loss of allocation through breakdown or maintenance overrun resulting in the boat being unavailable to use. Where an owner chooses to forego a week where the boat is available for cruising, this will not count as a loss regardless of whether days were used or not. Where an owner foregoes a whole week where the boat is available for part of that week they will be considered to be in category 2, regardless of whether any days were used.

3.4 An owner, or their **nominated** person(s) must be present at all times when Tranquility is being used and is not moored or undergoing maintenance and must be in overall responsible control of Tranquility.

3.5 No owner shall hire or otherwise part with possession or control of Tranquility either skippered or not during that owner's allocated weeks.

3.6 When using Tranquility the owner shall ensure that all those on Tranquility comply with the applicable licence terms and conditions and the relevant by-laws currently in force, in addition they will observe the code of conduct set out in Schedule 3. The owner shall draw the attention of everyone on Tranquility to the code of conduct a copy of which shall be kept on board Tranquility and not removed therefrom.

Section 4 Maintenance contributions

4.1 The owners will operate a fund in respect of Tranquility. Payments will be made from the fund in respect of Tranquility as advised by the treasurer.

- 4.2 The owners shall by 1st March in each year during the currency of this agreement agree a breakdown of the expenditure out of any payments into the fund for the twelve month period which ended on last day of February of the same year.
- 4.3 The amount of the contributions for each year will be calculated in the light of the previous year's expenditure and taking into account foreseeable expenditures in the year ahead.
- 4.4 Each owner shall pay a sum into the fund as a minimum twice yearly. The treasurer will advise the total payments to be made in reasonable time prior to the due payment dates of 1st June and 1st December. Where an owner wishes to pay monthly, the treasurer will advise the payment to be made monthly in reasonable time prior to the initial payment due date.
- 4.5 On the sale of Tranquility any surplus in the fund will be divided amongst the owners in accordance with their respective percentage share-holding. Any deficit will be deducted from the proceeds of the sale of Tranquility before allocating the net proceeds to the owners.
- 4.6 The owners shall make payments from the fund directly applicable to Tranquility for Tranquility's benefit and the benefit of her users.
- 4.7 In the event that payments are necessary in the essential upkeep of Tranquility that exceeds the amount currently available in the fund, the owners will contribute additional single contributions to the fund to cover these payments according to weekly shareholding.

Section 5 Defaults and Disputes

- 5.1 If any owner fails to pay any amount due under the agreement within 14 days of the due date, use of Tranquility will be prohibited and the owner will relinquish voting rights at any meetings until the arrears are paid. The owner will forfeit any allocated weeks unless all arrears are paid 7 days before the start of the allocated week. The weeks will then become available to any other owner as at 3.4 above.
- 5.2 The owners collectively will not accept any responsibility for any personal loss or damage arising during the use of Tranquility by an owner or their guest(s) or family. In the event of any such persons making any claim against the owners arising from

such loss or damage while the owner has responsibility as at 3.4 above, the owner will provide the remaining owners with a full indemnity.

- 5.3 If an owner incurs costs through the deliberate or wilful breach of any of the terms of the agreement, including schedules, the owner shall pay to the fund the full cost of remedying the breach together with costs, legal and otherwise, of recovery against the owner. In particular if the owner's deliberate or negligent conduct had been such as to prevent or restrict the availability or amenity of Tranquility for the benefit of other owners, the owners will pay all the costs incurred in making suitable arrangements for the benefit of other owners.
- 5.4 Without prejudice to the preceding clause, if in the opinion of the holders of at least 75% of shares owned, the owner their guest(s) or family
- a) Either wilfully or negligently causes damage or injury to Tranquility or to the mooring adjacent to Tranquility or to any person or property on Tranquility.
 - b) Is in serious breach of the code of conduct as at schedule 3, or after due warning persists in any breach.
 - c) Behaves in an antisocial manner towards other owners of Tranquility or other boats or boat users:

Then the other owners by written notice addressed to the owner, either by post or internet may suspend, terminate or subject to conditions the right to use Tranquility. In serving such a notice the other owners shall give their reasons but shall not be liable to the owner for any inaccuracy in the reasons, provided the reasons reflect the genuine belief of the other owners. In the event of termination the owner shall be required to sell their share(s) in Tranquility as soon as practicable, subject to the condition that the outstanding fund contributions and any other amounts due as at 5.2 and 5.3 above, and any other consequential costs of the dispute, will be deducted from the net sale proceeds and paid into the fund. The owner will also be liable for any reasonable costs incurred by the syndicate in enforcing this clause, such costs to be deducted from the payment due on the sale of the share(s).

- 5.5 Within one calendar month of the notice date, the owner may appeal to the other owners in writing against the terms of the notice, the appeal to be addressed to the chairman and the secretary. The notice served by the other owners shall take effect until the outcome of any appeal is ascertained. Service of the notice does not terminate the agreement and the owner will continue to be liable hereunder.
- 5.6 If a majority of the owners agree to vary or set aside a notice issued as at 5.4 above, the notice shall be varied or set aside accordingly.

- 5.7 The owners will use their best efforts to resolve any disputes between themselves and will then seek the assistance of the chairman, (or secretary if the chairman is one of the parties in dispute). If the dispute is unresolved it will be discussed at the next AGM or if urgent at an EGM, for the purpose, summoned by the chairman (or secretary if the chairman is one of the parties in dispute) on receipt of notice from the disputing owners.
- 5.8 If the dispute is unresolved then the owners will agree an arbitrator whose decision will be final and binding upon all owners. In the event of failure to agree an arbitrator, the President of the Yacht Brokers, Designers and Surveyors Association will be requested to nominate a specialist in Inland Marine Craft as arbitrator.

Section 6 Assignment

- 6.1 Any owner may assign their share under the agreement including the share in the proceeds of sale of Tranquility with the consent of the other owners, such consent not to be unreasonably refused and dependant upon the new owner signing this agreement.

Section 7 Sale of shares

- 7.1 Any owner may sell the whole, but not part, of one or more of their shares in Tranquility at any time, subject to the conditions of section 7 of this agreement.
- 7.2 The owner must notify all the other owners in writing, by post or email, of the intention to sell, indicating the offer price.
- 7.3 Within 14 days of notice being given, any other owner who does not already own shares up to the limit specified at 1.6 above (less the current share for sale), may purchase the share on offer and give written notice to the Treasurer.
- 7.4 If two or more owners wish to purchase the share(s) or offer then the treasurer shall invite each owner to submit a written tender of their highest offer, the share(s) will be sold to the owner submitting the highest tender within 14 days.
- 7.5 Following the notification set out in 7.3 or on receipt of a negative response from all existing owners, whichever is earlier, if no owner wishes to purchase the share(s) the

selling owner may offer the share(s) for sale on the open market at their own expense subject to the purchaser signing a copy of this agreement duly witnessed before completing the purchase. The copy must be received by the secretary before the sale is completed. On completion of a sale the secretary will issue a revised schedule 1 to all owners.

- 7.6 Whenever a share is sold the buying party will issue a payment to NB Tranquility through the treasurer. The new owner is obliged to sign a copy of this agreement and on completion of the sale, thus releases the selling owner from any obligations under this agreement. When this has been done the treasurer shall then issue payment to the selling owner in the same amount less any amounts due to the Tranquility bank account by way of arrears of payments due to the fund or in any other way. The selling owner remains responsible for their proportion of the running costs until the new owner has signed a copy of this agreement and on completion of the sale.
- 7.7 In the event of the treasurer selling or buying a share, the transactions will be conducted through the chairman.
- 7.8 If agreed by at least 75% of shareholdings the owners shall offer Tranquility for sale as soon as practicable. The owners shall use their best endeavours to obtain the best price for Tranquility in accordance with prevailing market conditions. Out of the gross proceeds of the sale shall be paid all the expenses of sale, any independent brokerage fee where applicable and any deficit on the fund as at the termination date. The owner of each share shall then be paid according to the percentage shareholding owned less any sum that may be owed by the owner under the agreement.

Governing Law

The parties to this agreement hereby agree that the governing law in relation to this agreement and the affairs of the syndicate is the law of England and Wales

Each purchaser to sign, date and have signature independently witnessed below:

1. **Purchaser's full name** _____ (PRINT NAME)

Signed _____

Date ___ / ___ / ___ (DD/MM/YYYY)

In the presence of:

Witness signature _____

Name _____ (PRINT NAME)

Address _____

Occupation _____

2. **Purchaser's full name** _____ (PRINT NAME)

Signed _____

Date ___ / ___ / ___ (DD/MM/YYYY)

In the presence of:

Witness signature _____

Name _____ (PRINT NAME)

Address _____

Occupation _____

Each owner (selling share) to sign, date and have signature independently witnessed below:

3. Vendor's full name

Signed _____

Date ___ / ___ / ___ (DD/MM/YYYY)

In the presence of:

Witness signature _____

Name _____ (PRINT NAME)

Address _____

Occupation _____

4. Vendor's full name

Signed _____

Date ___ / ___ / ___ (DD/MM/YYYY)

In the presence of:

Witness signature _____

Name _____ (PRINT NAME)

Address _____

Occupation _____

Schedule 1

Insert **latest contact list**



Schedule 2

Booking arrangements

Designated share colour

1/24 Red	1 red week (High Season) 1 yellow week
1/24 Red	1 red week (High season) 1 blue week
1/12 Red	2 red weeks (High season) 1 yellow week 1 blue week
1/24 Yellow	1 yellow week (Mid season) 1 blue week
1/12 Yellow	3 yellow weeks (Mid season) 1 blue week
1/8 Yellow	4 yellow weeks (Mid season) 2 blue weeks

Designated weeks

Red designation runs from the last week in May to the last complete week in August inclusive each year.

Blue designation runs from the first week of November for thirteen weeks, excluding two weeks at Christmas and New Year and the maintenance period each year.

Maintenance weeks will be unavailable for allocation to any owner.

Christmas and New Year weeks may be selected as either red or yellow designation.

All remaining weeks are designated as yellow.

At each AGM the specific dates for designation will be agreed for the following year.

School holiday shares

A maximum of 4 shares up to a total of 12 weeks usage may be designated as 'School holiday shares'.

School holiday share holders are given preference for selecting usage weeks to coincide with school holiday periods. In general terms these will be two weeks at Easter, Summer half term (if selected), six summer holiday weeks (or five if Summer half term is selected), Autumn half term and two weeks at Christmas / New Year. (12 weeks in total)

School holiday weeks will be marked on the allocation calendar by the secretary following discussion at each AGM.

Order of allocation

Owners select weeks in priority order according to the rotation shown below. School holiday share owners have priority only for the selection of school holiday designated weeks within the separate rotation shown below, however these shares maintain position within the main rotation for the purpose of blue season selection and should they choose to relinquish the right to school holiday designation.

School holiday share owners select red and yellow season weeks according to share holding, from the designated school holiday shares. The school holiday owners will maintain a rotation on a yearly basis according to the order shown below.

Should a school holiday share owner choose to select outside designated school holiday weeks, they shall revert to the order applicable within the non school holiday designated shares in that year and must notify the allocation secretary of this intention prior to the start of the allocation process.

Remaining red shares select high season weeks according to share holding.

Selection for yellow shares select mid season weeks according to share holding.

Order for selection is reversed for remaining yellow and all blue weeks according to share holding. See rotation below.

For every following year the owner who selected first in the current year will select last and each other owner will move up one place.

Rotation – example:

Greyed letter denotes place in selection list but allocation not required. E.g. In main selection red high season – shares E,G retain place in list but have already selected school holiday weeks.

18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	
Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Movement of allocation
School Holiday List												
											Previous 1st place moves to last place	
E	F	G	E	F	G	E	F	G	E	F	G	
F	G	E	F	G	E	F	G	E	F	G	E	
G	E	F	G	E	F	G	E	F	G	E	F	
											Previous 1st place moves to last place	
G	F	E	G	F	E	G	F	E	G	F	E	
F	E	G	F	E	G	F	E	G	F	E	G	
E	G	F	E	G	F	E	G	F	E	G	F	
Main List												
											Previous 1st (and 2nd) place moves to last place	
G	A	C	E	G	A	C	E	G	A	C	E	
H	B	D	F	H	B	D	F	H	B	D	F	
A	C	E	G	A	C	E	G	A	C	E	G	
B	D	F	H	B	D	F	H	B	D	F	H	
C	E	G	A	C	E	G	A	C	E	G	A	
D	F	H	B	D	F	H	B	D	F	H	B	
E	G	A	C	E	G	A	C	E	G	A	C	
F	H	B	D	F	H	B	D	F	H	B	D	
											Previous first place moves to last place	
K	L	M	I	J	K	L	M	I	J	K	L	
L	M	I	J	K	L	M	I	J	K	L	M	
M	I	J	K	L	M	I	J	K	L	M	I	
I	J	K	L	M	I	J	K	L	M	I	J	
J	K	L	M	I	J	K	L	M	I	J	K	
											All places refer to main list	
F	H	B	D	F	H	B	D	F	H	B	D	Last on red list
J	K	L	M	I	K	K	L	M	I	J	K	Last on yellow list
E	G	A	C	E	G	A	C	E	G	A	C	Second from last on red list
I	J	K	L	M	I	J	K	L	M	I	J	Second from last on yellow list
D	F	H	B	D	F	H	B	D	F	H	B	Third from last on red list
M	I	J	K	L	M	I	J	K	L	M	I	Third from last on yellow list
C	E	G	A	C	E	G	A	C	E	G	A	Fourth from last on red list
L	M	I	J	K	L	M	I	J	K	L	M	Fourth from last on yellow list
B	D	F	H	B	D	F	H	B	D	F	H	Fifth from last on red list
K	L	M	I	J	K	L	M	I	J	K	L	first on yellow list
A	C	E	G	A	C	E	G	A	C	E	G	third on red list
H	B	D	F	H	B	D	F	H	B	D	F	Second on Red list
G	A	C	E	G	A	C	E	G	A	C	E	First on red list

Schedule 3

Code of conduct

1. The conditions set out in this schedule shall apply equally to the use of Tranquility by the owner and by any person or persons appointed by the owner to enjoy such use.
2. The owner shall not attempt to access Tranquility other than by following the appropriate procedures set out in schedule 2 to the agreement or as otherwise agreed with the other owners.
3. The owner shall return Tranquility to the designated mooring site as defined in schedule 4 to the agreement at the end of a period of use unless other arrangements have specifically been agreed with the following owners.
4. A full turn-round check must be completed at the end of each week's usage. This may be completed by the owner or booked at the outgoing owner's expense for the marina to complete. In either case the documentation to show that the turn-round check has been completed must be retained for inspection by the next owner and faults identified must be reported immediately.
5. The owner shall return Tranquility at the end of a period of use in the same condition as that in which it was found save only for the effects of reasonable wear and tear though normal usage. In particular the owner shall return Tranquility with a full tank of fuel and that the toilet tank has been pumped out to ensure an empty or virtually empty waste holding tank and full toilet water tank. The purchase of diesel and pump out are the responsibility of the owner and must not be added to the syndicate account. The owner must also ensure that the potable water tank is full wherever practicable but, if not possible contains a minimum of half a tank full to ensure sufficient water to enable the next owner to reach a suitable source of replenishment without suffering a shortage.
6. In addition the owner shall replace any empty gas bottle with a full bottle of similar size; this is a joint expense and should be charged to the syndicate account.
7. The owner shall ensure that all cutlery, crockery, glassware and domestic equipment on board is clean as well as cleaning any dirt from interior surfaces and exterior surfaces above the water line as far as is practicable.
8. The owner shall replace as soon as practicable and at their personal expense any items which are lost or damaged whilst they are in possession of Tranquility unless damaged by unavoidable wear and tear.

9. No person shall be permitted to smoke within the interior of Tranquility; this includes any internal area between the stern doors and the bow doors. Any person smoking outside this area shall endeavour to prevent smoke entering the interior through open doors, windows or hatches.
10. The owner shall exercise their best endeavours to ensure that no damage or loss of equipment is suffered by Tranquility and also that no damage or loss is suffered by any third party as a result of the use of Tranquility. In the event of such loss or damage being suffered, the owner shall immediately note down the appropriate details in Tranquility's incident log book along with the details of any witnesses to the event in which loss or damage was suffered. The owner will then send a copy of these details to all other owners by email or post.
11. An incident log book will be supplied and kept on board and the owner currently on board is responsible for updating the log as required above. The owner is also responsible for updating the problems database, by following the notification process displayed on board.
12. The owner shall not wilfully cause loss or damage of any kind to be suffered by any other owner.
13. The owner shall be aware of and adhere to the various regulations and bylaws in force from time to time restricting the use of the inland waterways system and to give adequate consideration at all times to the safety of Tranquility, its passengers and any other party who may suffer the effects of Tranquility's presence.
14. The owner shall manoeuvre Tranquility only in those waterways covered by the current insurance policy and designated by Tranquility's current cruising licence or purchase the appropriate short term licence to cover additional inland waterways. Tranquility is not to be removed onto tidal waters.

Schedule 4

Obligations of the owners acting together

1. The owners shall arrange for Tranquility to be comprehensively insured, including protection against claims by any third party for amounts of at least £1,000,000 or such larger amount as required from time to time by BW or its successors as a condition of granting a licence.
2. The owners shall arrange for Tranquility to be licensed for cruising on those inland waterways that are managed by BW or its successors. If any owner or group of owners wish to take Tranquility onto non-BW waterways they will be responsible for the purchase of the appropriate licence.
3. The owners shall arrange for Tranquility to be moored at a secure mooring site and further arrange for appropriate mooring fees to be paid. The designated mooring site may be changed from year to year by agreement at the AGM.
4. The owners shall arrange for Tranquility to hold a valid and current Boat Safety Certificate.
5. The owners shall set aside four weeks each year during which regular maintenance work is to be carried out; these weeks to be within the low season for allocation purposes whenever practicable.
6. The owners shall arrange for preventative maintenance and servicing to be carried out on Tranquility annually by an appointed firm of reputable marine engineers.
7. The owners shall arrange for assistance to be summoned by the owner in the case of breakdown of Tranquility. For the purposes of the agreement a breakdown is defined as a malfunction of Tranquility or of one or more of its integral parts resulting in reasonable enjoyment of use being adversely affected or else a potential hazard being created that may endanger Tranquility's users. A breakdown is also defined as not being the exhaustion of stocks of fuel, gas or water; nor a lack of lavatory facilities being available resulting directly from failure to pump out the toilet tank; nor a malfunction of TV or audio equipment on board.